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Message Text

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13
ACTION FMC-04

INFO OCT-01 ARA-16 ISO-00 CIAE-00 COME-00 DODE-00 DOTE-00

EB-11 INR-10 NSAE-00 RSC-01 CG-00 COA-02 DLOS-07

SWF-02 L-03 DRC-01 /058 W
---------- 128974
R 221832Z MAY 74
FM AMEMBASSY MONTEVIDEO
TO SECSTATE WASHDC 6570
INFO AMEMBASSY BUENOS AIRES
AMEMBASSY BRASILIA

UNCLAS MONTEVIDEO 1369

E.O. 11652: N/A
TAGS: ETRN, UY
SUBJ: PORT SURCHARGE

REF: STATE 089298

1. SUMMARY. AN EMBASSY OFFICER HAS DISCUSSED MONTEVIDEO PORT CONDITIONS AND SURCHARGES WITH PORT AUTHORITIES AND PRIVATE BUSINESSMEN CONCERNED. OPINION IS UNANIMOUS THAT PORT CONDITIONS WITH REGARD TO CNGESTION, WAITING TIME ANDLABOR PROBLEMS HAVE IMPROVED DRASTICALLY SINCE THE NATINAL PORT ADMINISTRATION (ANP) HAS BEEN UNDER MILITARY MANAGEMENT FOR NEARLY AYEAR. THERE IS ALSO A CONSENSUS THAT A SURCHARGE BASED ON "DIRTY PORT" CONDITIONS, WHICH UNQUESTINABLY USED TO EXIST IN MONTEVIDEO, SHOULD NOT BE CONFUSEDWITH HIGHER LABOR COSTS, TO WHICH SHIPPING LINES NORMALLY ADJUST BY RAISING FREIGHT RATES. END SUMMARY

2. SOME CONFERENCES USING MONTEVIDEO IMPOSE A SURCHARGE, OTHERS DO NOT. SOME OF THE LATTER CHARGE HIGHER RATES TO AND FROM MONTEVIDEO THAN TO AND FROM BUENOS AIRES, BECAUSE OF SMALLER VOLUMES OF MONTEVIDEO FREIGHT RATHER THAN FOR "DIRTY PORT" REASONS. WHILE SOME CONFERENCES MAY CONTEMPLATE FUTURE INCREASES IN FREIGHT RATES TO COMPENSATE FOR RISING LABOR COSTS, WE HAVE UNCOVERED NO INTENTIONS TO RAISE A "DIRTY PORT" SURCHARGE.
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3. SOME DISSATISFACTION PERSISTS WITH STEVEDORE OPERATIONS, NOT BECAUSE OF THE CHAOTIC LABOR DISPUTES AND STRIKES WHICH ARE A THING OF THE PAST, BUT BECAUSE OF INEFFICIENT WORK RULES THAT STILL PREVAIL,

SUCH AS A WEIGHT LIMIT OF 750 KILOGRAMS PER SLING ON CARGO BEING UNLOADED, 500 KILOS PER SLING ON CARGO BEING LOADED. ANP, WHICH DOES NOT CONTROL STEVEDORES DIRECTLY, HOPES TO IMPROVE THIS SITUATION THROUGH LEGISLATION THAT WOULD CONVERT STEVEDORES INTO ANP CONTRACT EMPLOYEES.

4. THERE IS GENERAL AGREEMENT THAT ANP UNDER ITS PRESENT LEADER-SHIP HAS DONE WONDERS IN LESS THAN A YEAR TO CLEAN UP THE PORT, REDUCE CONGESTION AND WAITING TIMES, BRING LABOR PEACE, DREDGE THE CHANNEL, AND RENOVATE OR REPAIR OLD CRANES, TUG-BOATS, DRY-DOCK AND OTHER EQUIPMENT. THERE IS LITTLE ANP CAN DO TO LOWER RATE DIFFERENTIALS BASED ON VOLUMES OF FREIGHT HANDLED, SINCE RAISING FREIGHT VOLUME DEPENDS ON FACTORS BEYOND ANP CONTROL SUCH AS GENERAL RECOVERY OF THE URUGUAYAN ECONOMY. IN ANY CASE, THE VALID QUESTION NOW IS NOT WHETHER "DIRTY PORT" SURCHARGES SHOULD BE INCREASED BUT WHETHER THEY SHOULD BE CONTINUED, REDUCED OR ELIMINATED.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: WAGES, BUSINESSMEN, PORT CHARGES, PORT FACILITIES, MEETINGS, PORT AUTHORITY, FREIGHT RATES
Control Number: n/a
Copy: SINGLE
Draft Date: 22 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974MONTEV01369
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740128-0687
From: MONTEVIDEO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740527/aaaaaxni.tel
Line Count: 83
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION FMC
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